



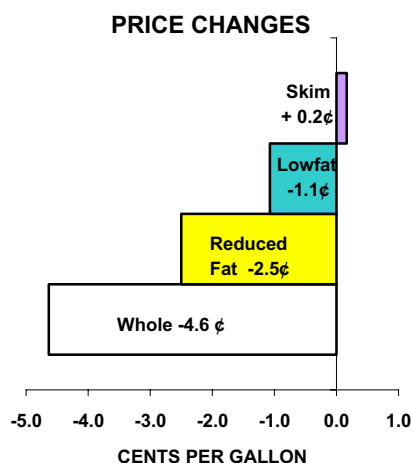
Milk Pricing

NEWSLETTER

Dairy Marketing Branch, CDFA

May 2002

ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR JUNE 2002



The commodity price for butter decreased significantly during the month. This drop in the butter price caused the gallon price for whole milk to decrease 4.6 cents; reduced fat to decrease 2.5 cents; lowfat to decrease a little more than one cent; and skim to increase slightly.

The commodity prices for 40-lb. block Cheddar cheese and nonfat dry milk remained steady throughout the month. Cheese and butter production across the nation is currently heavy. However, butter storage amounts and butter imports are also on the rise and butter prices may remain down until the weather warms up and ice cream production escalates.

Minimum Farm Prices for Various Fluid Milks by Container Size for June 2002

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$1.074	\$0.537	\$0.268	\$0.134	\$0.089	\$0.067
Reduced Fat (2%)	\$1.014	\$0.507	\$0.254	\$0.127	\$0.085	\$0.063
Lowfat (1%)	\$0.983	\$0.492	\$0.246	\$0.123	\$0.082	\$0.061
Nonfat (Skim)	\$0.760	\$0.380	\$0.190	\$0.095	\$0.063	\$0.048

Southern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$1.097	\$0.548	\$0.274	\$0.137	\$0.091	\$0.069
Reduced Fat (2%)	\$1.038	\$0.519	\$0.259	\$0.130	\$0.086	\$0.065
Lowfat (1%)	\$1.007	\$0.504	\$0.252	\$0.126	\$0.084	\$0.063
Nonfat (Skim)	\$0.785	\$0.392	\$0.196	\$0.098	\$0.065	\$0.049

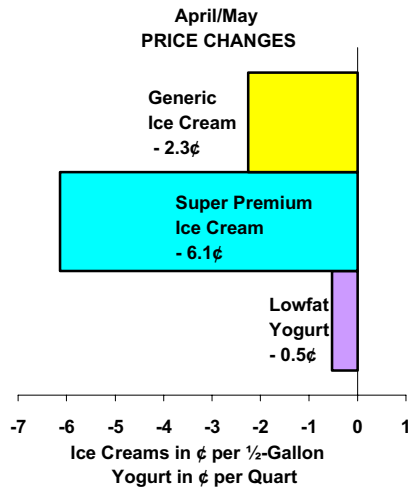
Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.046-	\$0.023-	\$0.012-	\$0.006-	\$0.004-	\$0.003-
Reduced Fat (2%)	\$0.025-	\$0.013-	\$0.006-	\$0.003-	\$0.002-	\$0.002-
Lowfat (1%)	\$0.011-	\$0.005-	\$0.003-	\$0.001-	\$0.001-	\$0.001-
Nonfat (Skim)	\$0.002	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000

California Department of Food and Agriculture
William (Bill) Lyons Jr., Secretary

Phone (916) 654-1456; Homepage Address: www.cdfa.ca.gov/dairy

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products



- 1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.
- 2/ Yogurt and ice cream prices change every second month.

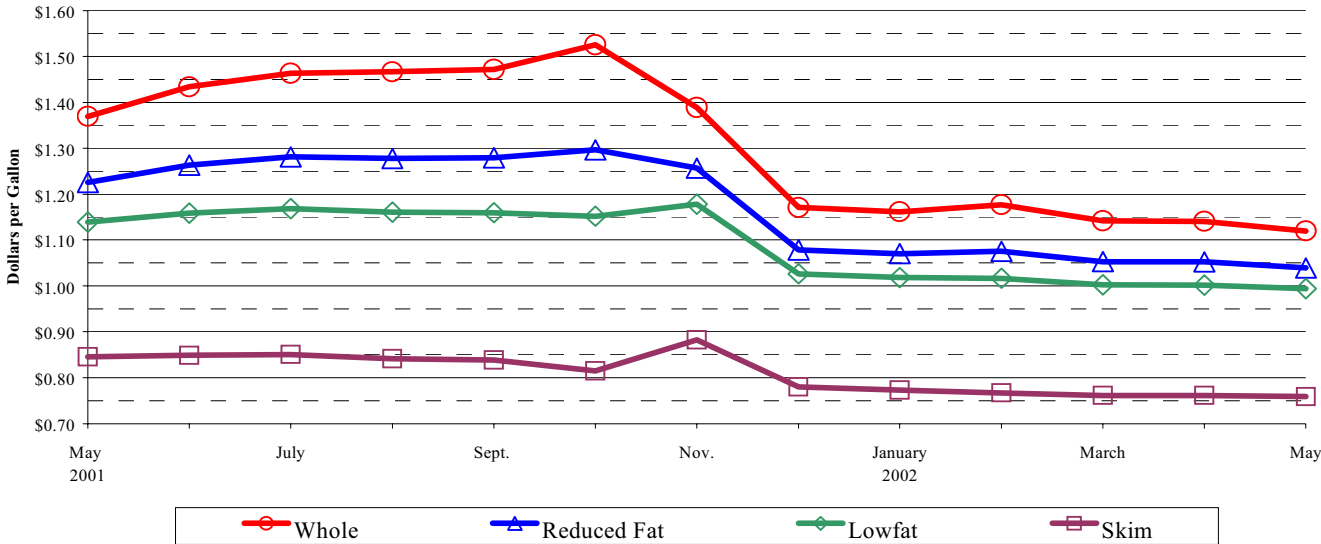
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
February	\$0.21	\$1.32	\$0.51	\$1.11	\$1.04
March	\$0.21	\$1.32	\$0.51	\$1.10	\$1.02
April	\$0.20	\$1.25	\$0.48	\$1.04	\$1.06
May	\$0.20	\$1.25	\$0.48	—	—

Price Change from the Prior Pricing Period^{2/}

February	\$0.01-	\$0.08-	\$0.03-	\$0.09-	\$0.10-
March	\$—	\$—	\$—	\$0.01-	\$0.02-
April	\$0.01-	\$0.07-	\$0.03-	\$0.06-	\$0.04
May	\$—	\$—	\$—	—	—

Farm Component of Fluid Milk Prices



California Department of Food and Agriculture
1220 N Street, Room A-224
Sacramento, CA 95814-5621

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